

socialist review

Issue 35

For a democratic and socialist alternative

July 2011



Maori, Working Class and Proud

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**Fighting
Austerity In
Greece**

**Marriage
Equality In
New York**

**Interview
with NZ Post
Worker**

Socialism

Capitalism is a system of crisis, exploitation and war in which production is for profit, not human need. Although workers create society's wealth, they have no control over its production or distribution. A new society can only be built when workers collectively seize control of that wealth and create a new state in which they will make the decisions about the economy, social life and the environment.

Workers' Power

Only the working class has the power to create a society free from exploitation, oppression and want. Liberation can be won only through the struggles of workers themselves, organised independently of all other classes and fighting for real workers' power - a new kind of state based on democratically elected workers' councils. China and Cuba, like the former Soviet Union and Eastern Europe, have nothing to do with socialism. They are repressive state capitalist regimes. We support the struggles of workers against every ruling class.

Revolution Not Reformism

Despite the claims of the Labour Party and trade union leaders, the structures of the present parliament, army, police and judiciary cannot be taken over and used by the working class. They grew up under capitalism and are designed to protect the ruling class against workers. There is no parliamentary road to socialism.

Internationalism

Workers in every country are exploited by capitalism, so the struggle for socialism is part of a worldwide struggle. We oppose everything that divides workers of different countries. We oppose all immigration controls. We campaign for solidarity with workers in other countries. We oppose imperialism and support all genuine national liberation struggles.

Liberation From Oppression

We fight for democratic rights. We are opposed to the oppression of women, Maori, Pacific Islanders, Asians, gays and lesbians. These forms of oppression are used to divide the working class. We support the right of all oppressed groups to organise for their own defence. All these forms of liberation are essential to socialism and impossible without it.

Environmentalism

Exploitation of nature is as central to capitalism as exploitation of labour. Capitalism everywhere came into being by privatising the commons. Private property means privatisation of profits and socialisation of costs, like pollution. Socialisation of costs and profits is needed for environmental planning. Only the

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Socialist Review is the journal of the International Socialists Organisation. The production team for SR35 is Chris Baxter, Oliver Dearnley, Martin Gregory, Dougal McNeill, Andrew Tait.

working class can achieve this.

Tino Rangatiratanga

We support the struggle for tino rangatiratanga. Maori capitalists and politicians have no interest in achieving tino rangatiratanga for working class Maori. The Government and corporate warriors' approach to Treaty claims has benefited a Maori elite while doing little for working class Maori. Tino rangatiratanga cannot be achieved within capitalism. It will only become a reality with the establishment of a workers' state and socialist society.

Revolutionary Organisation

To achieve socialism, the most militant sections of the working class have to be organised into a revolutionary socialist party. Such a party can only be built by day-to-day activity in the mass organisations of the working class. We have to prove in practice to other workers that reformist leaders and reformist ideas are opposed to their own interests. We have to build a rank and file movement within the unions. We are beginning to build such a party, linking the ideas of revolutionary socialism to workers' struggles against the system. If you agree with our ideas and want to fight for socialism, we urge you to join us.

Local, national and global resistance

As New Zealand comes out of the financial crisis, and the people of Christchurch try to rebuild, the state and business interests have started a co-ordinated attack on the working class. As the election looms, John Key makes it quite clear what his plans are for the future of workers in New Zealand - low pay, low living standards, and low chances of getting fair treatment at work.

The ACT Party, with racist Don Brash at the helm, National's partners in crime, have called for youth rates to be reinstated, making it even harder for young people to earn a living, and this is just the start of the right-wing attack that has turned our way. We are told that in order to recover, we need to savagely attack the living standards of the poor, that we need to sell off our water, our power, our transport to private interests, so that the bosses can make their profits again. This is the same story being told to the workers of Europe and America, where the banks are demanding that governments bow down to the neoliberal logic of privatisation, anti-unionism, and anti-benefits. However, we don't have to take it lying down, and we can resist.

In Europe, in Greece and Spain, they are fighting on the streets - hundreds of thousands of people from young to old are getting out to protest against the savage cuts of the governments. They know the debt of their governments

comes not from poor management, nor from the poor 'taking more than they should', but from persistent gifts to the rich through tax cuts and corporate welfare.

In Greece, where the right wing would blame the poor for daring to have a reasonable pension, workers are pointing the finger squarely at Papandreou and his cronies in the European banks. In Spain, thousands take to the streets, demanding a change to the system. The workers of Europe are rising, and this issue of the *Socialist Review* will give at least a taste of the battles being fought in the city squares.

In the Middle East, the Arab Spring rages on into summer, where the people brave bullets and bombs to demand a government that won't collaborate with apartheid Israel or sell their interests to western oil companies. In Egypt, where the military 'interim' government has found the people not as pliant as they thought they would be, protests continue to demand justice against Mubarak's cronies. In Syria, where hundreds have been murdered by the regime, still the workers come out to fight. In Libya, where NATO bombs are killing civilians, the rebel movement pushes forwards. The Arab uprising has far to go, but the momentum it has is vast.

In New Zealand, we are also coming under attack. The Key Government is looking after its buddies in the banks by slashing welfare and attacking union rights, and driving up youth unemployment. Now they have the

temerity to abandon the Hillside Workshop - a vital part of Dunedin's economy. The government has stood by while KiwiRail gives their flatbed contract to the lowest bidder to make a quick buck.

What is worse, is that this will, and is likely designed to, push our wages down, making it even easier for the bosses to push up their profits. This goes hand in hand with musings of returning youth rates, as well as selling off public sector jobs - higher unemployment to force wages down and force profits up.

But there is resistance here in New Zealand. The workers at Hillside have not, and will not take the job losses lying down. They have taken to the streets, to the people of Dunedin to try and defend their livelihoods, and the International Socialists are standing beside them.

The International Socialists are also proud to support the Mana Party. With Hone Harawira's win in Te Tai Tokerau, it seems likely this movement will enjoy some success in the

November election. But for us, what is important is not how many seats they get, but how many people they bring onto the streets. A couple of MPs who are ready to represent the interests of the Maori working class, and lower paid workers Maori and Pakeha, who are not afraid of a picket line, will be a great outcome from this election.

The struggle won't end with this election - it's just beginning.

James Gluck

Join the Socialists

Dunedin: Thursday meetings, 7.30pm, Clubs building, Albany St. Text Andrew on 027-606-9549, email contact@iso.org.nz

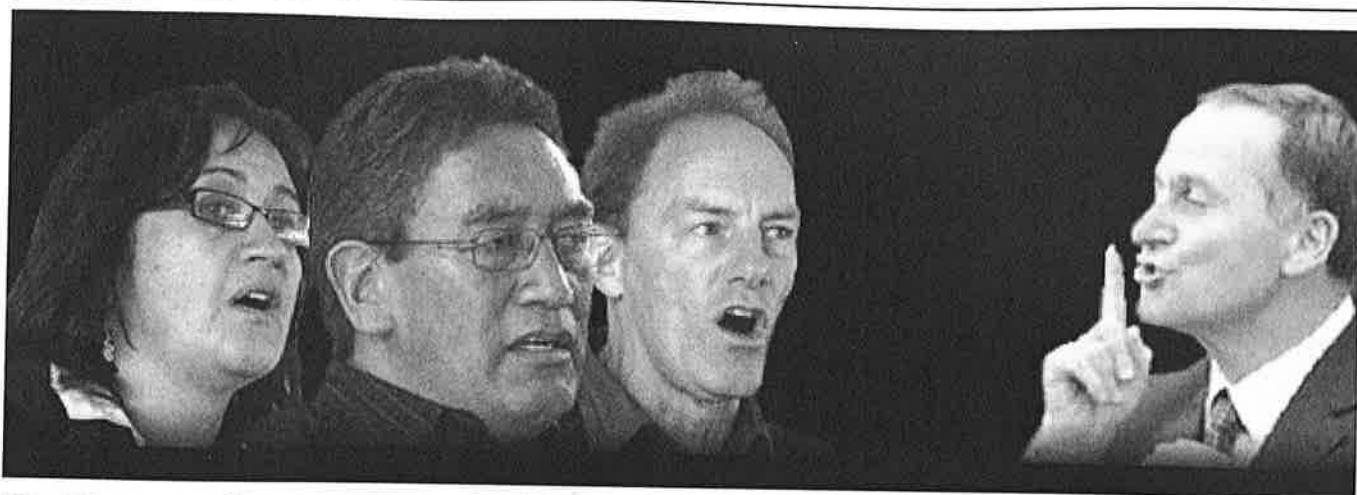
Wellington: Dougal 021-027-171-61

In Auckland: Socialist Aotearoa www.socialistaotearoa.org, Text Kevin 027-480-9936, Joe 021-186-1450 or email solidarityjoe@yahoo.com

www.iso.org.nz

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Maori, working class, and proud

On June 25, Hone Harawira, the leader of the Mana Party, was elected to parliament in a by-election in the Te Tai Tokerau seat. Mana will be a left-wing, Maori-led party contesting the 2011 general elections. Socialist Aotearoa is a revolutionary socialist organisation mainly based in Auckland that is part of the Mana movement. They have been campaigning for Mana in the Tai Tokerau by-election. Derwin Smith interviewed Joe Carolan, a leading member of Socialist Aotearoa.

Q: Why did Hone Harawira get expelled from the Maori Party and form Te Mana?

The Maori party went into coalition with the National Party. They attacked working people, beneficiaries and the poor. They cut taxes for the rich while bringing in 15% GST which affects the working class. The Maori party helped bring in anti-union laws and the 90 day fire-at-will law. The Maori Party also support National's racist foreshore and seabed legislation. This is the reason Hone Harawira has split and formed the new Te Mana Party.

The actions of the Maori party show that they have gone kupapa [government collaborator]. They are representing the rich. This shows the inherent

contradictions within any movement for national liberation like the Maori movement. It seems to me that yesterday's revolutionaries become today's oppressors - introducing neoliberal capitalist reforms attacking workers and the oppressed. The Maori Party represent the interests of rich Maori, the corporate iwi leadership, and the politics of the brown table.

This process happened overseas as well. Sinn Fein in Ireland led the struggle for national liberation against British imperialism. However a new wealthy Irish ruling class developed that oppressed Irish workers and the poor. This process was also repeated in South Africa. The African National Congress (ANC) led the liberation movement against apartheid, but because they didn't aim to get rid of capitalism, they have just built a black ruling class that is introducing neo-liberal policy attacking South Africa's black workers.

Ultimately you can't represent the interests of the rich, the bosses, in the same movement as working people and the poor. This is why I think Hone split from the Maori party.

Q. To what degree are Te Mana reaching out to non-Maori workers?

In the by-election many pakeha and others participated. Including activists from Unite Union, the National Distribution Union, and socialists. In my experience, Te Mana is very open to Pakeha and others participating in the movement. Te Mana wants to reach out and build in working class communities whether they are pakeha, pacific, or Asian.

Q. Do you think Te Mana is

fundamentally different from other 'left' parliamentary parties like the Labour Party and the Greens?

Te Mana movement is open-ended. There are no hard rules, yet at least, on how radical people are allowed to be. There are a whole range of difference people and ideas and people are open and welcoming of socialists. This is very different from the Labour party or the Greens.

The second major difference in Te Mana is that there is a merging of the left wing of the workers' movement - trade unionists and socialists, with the radical edge of the movement for tino rangatiratanga [self-determination]. These movements cannot help but come up against the state. To fight to take over workplaces or the fight to build land occupations on private land will bring Te Mana into conflict with the government.

This merging is open-ended and encompassing at the moment but I feel it is really radical. This is different from Labour or the Greens who see parliament as the only way forward. People in Te Mana seek to build a movement in communities and workplaces as well as parliament.

One of the exciting things for me is seeing who will be standing for Te Mana. It is some of the best fighters for the workers' movement and Maori movement that have never before belonged to a political party or stood for parliament and a lot of them despise parliamentary politics... these are the people we want!

Q. Socialists argue that real change can't come through

TE MANA PARTY

parliament, instead it must come through workers' revolution. With this in mind why was it important for Socialist Aotearoa to join Te Mana and what role can revolutionary socialists play within it?

People on the left should read Lenin's book *'Left-Wing Communism: An Infantile Disorder'* The Bolsheviks in the Russian revolution used parliament to further the politics of revolutionary socialism. They would run in elections and call for the overthrow of capitalism, and the overthrow of the Duma – the Russian Parliament – in favour of the workers' councils. The Russian revolutionaries used parliamentary elections.

First of all we must be clear that parliament can be used by revolutionary socialists to advance radical politics even though we want to overthrow it. Revolutionaries can use parliament to open up space for socialist politics.

Parliament and elections are an important arena of the class struggle. If we don't contest them then we forfeit the space to reformists like the Labour Party and Maori party. All these forces have sold out both the workers' movement and the Maori movement and should be challenged. Through the victory in the Te Tai Tokerau by-election we have beaten them at their own game. This shows that we are a legitimate political movement to many supporters.

Socialist Aotearoa getting involved in Te Mana movement was important for two main reasons. One of the roles socialists can play in Te Mana is educational. We can explain to other activists that building a movement based on class is important because the national liberation movements both for tino rangatiratanga



Looking worried? John Key, his advisors, and his Maori Party allies, Pita Sharples and Tariana Turia.

and in other counties like in South Africa and Ireland can end up selling out.

We also argue that Te Mana should not join any capitalist government coalition, whether with the National Party or Labour. This we have learned from the experience of other left parties overseas. The Greens in Ireland and the Rifondazione Comunista party in Italy are examples where left parties made coalitions with the Labour-style parties and then collapsed. Another important example is the Alliance Party in the early 2000s in Aotearoa, which joined government with Labour then collapsed. Te Mana needs to focus on building up the movement in communities, workplaces, and the streets.

Also activists in Te Mana find it very interesting to meet Pakeha activists that are fighting for tino rangatiratanga – self-determination – for working class people both non-Maori and Maori. We advocate for workers' control and community control instead of being ruled by the rich. We are proud to be working class and confident to put working class issues forward.

Q. How will Te Mana help

rebuild a fighting workers movement?

Since we won the Te Tai Tokerau by-election it is clear that Te Mana could be a nationwide movement. Te Mana can provide a home to activists up and down the country for people that would not join a small activist group. Te Mana will be able to build networks in marae, trade unions, and working class communities up and down the country.

It will be a political movement capable of launching nationwide campaigns and drawing in other people with it. It will let socialists go beyond simple propaganda work and help in organising strikes, protests, and land occupations.

A national network within the unions will help coordinate workers action and Te Mana may be able to be the centre of a fightback against neo-liberal capitalism. For me Te Mana is the most exciting thing to happen for the revolutionary left since the formation of Unite Union.

Joe writes on socialistaotearoa.org . . .



... It's the theft of our sweat in the towns and the cities that makes Mana a movement for all of us- Maori, Pasifika, Pakeha and other migrants to Aotearoa.

There are nearly half a million workers trying to survive on less than \$15 an hour, and many of those workers have insecure hours from week to week- even the concept of a 40 hour week is now a radical proposition in the KFCs and McDonalds stores of our land. There are also nearly half a million people either unemployed or in receipt of poverty level benefits, and it is them and their dependants that suffer the crime of child poverty in a land of Plenty. Raising the next generation of workers is real work- and a decent

society would pay those who take care of children at home a full wage. But beneficiaries and the unemployed have suffered falling incomes, under both Labour and National Governments. This is our wider Mana tribe. The half a million workers on less than \$15 an hour. The half a million people on benefits, raising up their children as best they can in crippling poverty. This tribe should not be polite or silent any longer. Its time for this tribe to awake from its slumber and use its anger to organise, one million strong...



The inequality that exists between Maori and non-Maori is not simply the result of the underlying values of individual Maori and non-Maori but rather is the result of the historical process of capitalist development in Aotearoa, settler colonialism and the structural requirements necessary for the needs of capitalists. (Poata-Smith, 2001)

Maori society was based on communal land ownership and collective labour providing the material needs of the tribe. Land was essential for the existence and survival of Maori society and this is reflected in cultural, spiritual and societal practices of Maori, which were based on the protection and conservation of the land. Land provided a power base for Maori.

When British capitalism arrived in the 19th century, so too did the notion that Aotearoa's land and resources were to be farmed for the British market, which meant that somehow the land had to be separated from Maori. The competition for access and use of resources between the settler capitalists and the non-capitalist Maori tribes, led to both violent and non-violent tactics taken by the state and settlers to get what they had come for, eventually resulted in Maori themselves being exploited as a labour resource. Land theft forced Maori into the working class and established capitalism in Aotearoa and the Pacific. This was not easy. It took decades of civil war - the Land Wars - to establish capitalist private property relations in Aotearoa. This process of land theft continues today, with the Foreshore and Seabed being 'nationalised' in 2004 by Helen Clark's Labour government.

Racist ideology justified the land theft. By labelling Maori as inferior because of their pre-capitalist society, the British could strip Maori of civil rights as a way

of 'civilising' Maori. "Development" and "progress" included using the army to force Maori off fertile land for farmers and dodgy land sales. These methods were so successful that Maori were dispossessed of their fertile land and driven into the working class.

Divide and Conquer

Pre-capitalist forms of property in land and traditions of mutual economic support within tribes provided means of subsistence outside of the market. This "Polynesian mode of production" was used to justify paying Maori low wages. As land was taken, Maori were forced into waged work for survival, entering into the lowest paid and lowest status jobs.

As one writer put it:

'While the continued possession of some Maori land may slow down the proletarianisation of the Maori people, it cannot prevent and has not prevented it. It ensures, on the contrary, that when Maori workers enter the proletariat, they do so on the worse terms, as the lowest stratum of the class. This is not the result of racism, though this process has produced and will continue to produce racism. It arises rather from the logic of a slow and protracted expropriation of a pre-capitalist mode of production by the capitalist mode, at every point representing continuous immiseration of the indigenous population as the value of Maori land declines and the amount in land is reduced in area and fertility.' (Towards a Socialist Polynesia, 1982)

Meanwhile, most of the European settlers who came to Aotearoa sought to escape from rural poverty or the industrial working class by settling on land and becoming farmers. While the original Wakefield settlement scheme envisioned the replication of British class system, with a landed gentry and rural peasantry, popular opposition made this impossible. Instead of being reserved for a landholding elite, land was used as a safety valve. After the First World War, returned pakeha soldiers were given (often poor) land to farm, defusing social unrest. The land, as often as not, was taken from their Maori fellow-soldiers.

Land became a wedge driven between Pakeha and Maori workers.

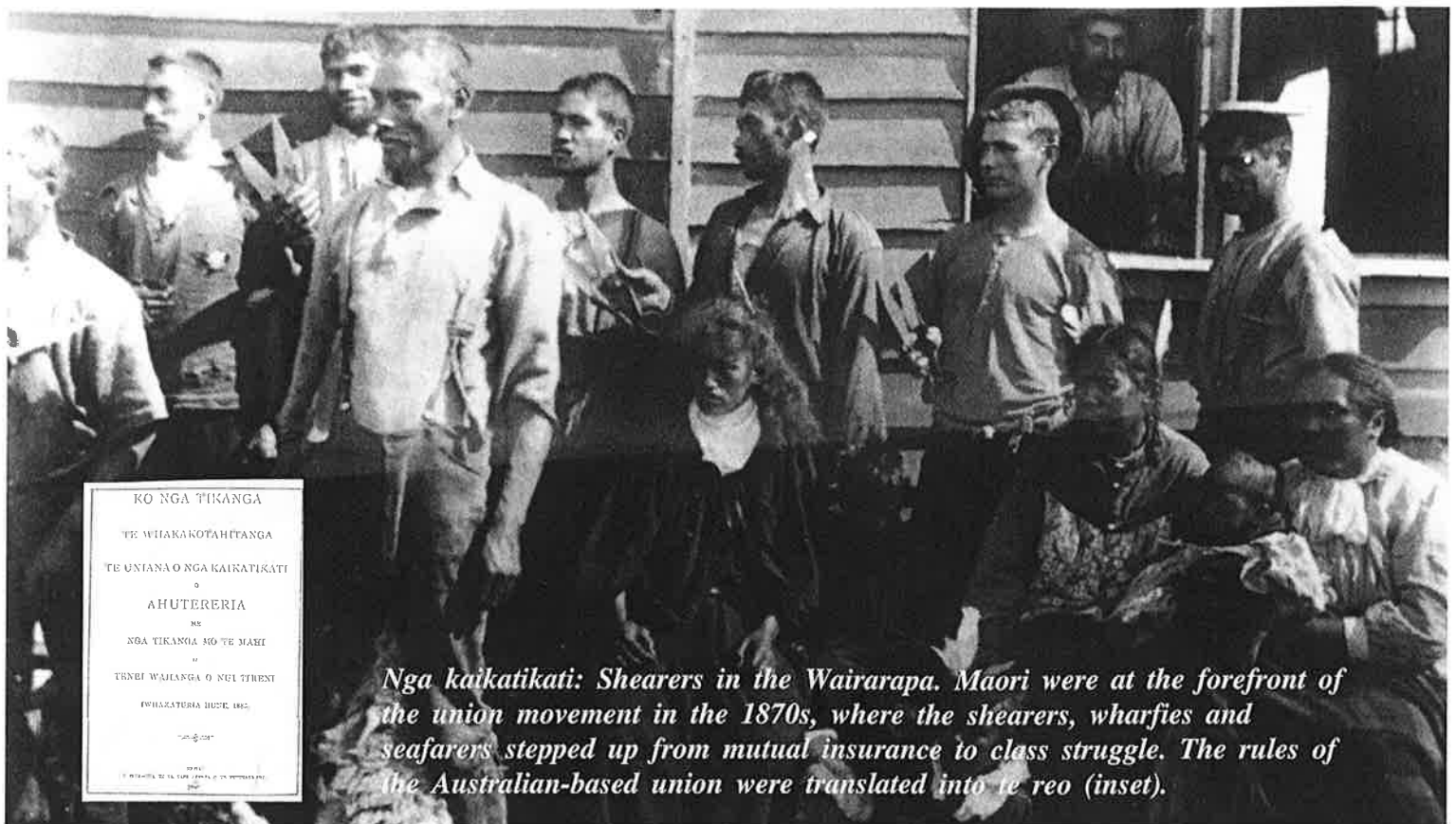
Treaty of Waitangi

The establishment of the Waitangi Tribunal in 1976 was an important concession won by Maori struggle, however the state's recognition of historical grievances of iwi and hapu have not compensated for the repressive anti-working class policies of governments since 1984, which have widened inequality in New Zealand. The position of Maori within the working class has meant Maori have borne the brunt of neo-liberal policies - one in five Maori workers were made redundant between the years 1987 to 1989 (Te Puni Kokiri 1993, 41). With many Maori already occupying the lower rungs of the working class the effects of neo-liberalism has widened the gap between Maori and non-Maori. However not all Maori are affected equally by the government's neo-liberal agenda, which has resulted in a shift in resources and compensation to those in Maori society who already possess wealth and power (just as it does in non-Maori society).

Institutional racism

Over two decades on from the Labour Party's attack on working class communities, the impact on Maori can be seen in the statistics. Most Maori are working class and so their exploitation at work continues. Low wages, poor education and high unemployment are reflected in other statistics; in September 2010 the Ministry of Justice identified 50.9% of the prison population as Maori. Capitalism provides no solutions for oppression; it encourages the exploitation of labour and the divisions within the working class. The struggle of Maori to take back their land and for self-government must go hand in hand with the struggle for working class revolution in Aotearoa and the Pacific.

Rowan McArthur



Nga kaikatikati: Shearers in the Wairarapa. Maori were at the forefront of the union movement in the 1870s, where the shearers, wharfies and seafarers stepped up from mutual insurance to class struggle. The rules of the Australian-based union were translated into te reo (inset).

Ka whawhai tonu matou, Ake! Ake! Ake! Rewi Maniapoto's words from the Waikato Wars of the 1860s rang through the twentieth century and into our own. Maori resistance to colonisation and land theft has never ended and the Maori struggle for self-determination has continued across the generations.

Importantly, this struggle has fed in to the fights of non-Maori workers, too. The economic boom following World War Two led to a rapid urbanisation of the Maori population. Maori are a central part of the wider New Zealand working class – while it's important to realise, and scandalous to consider, Maori over-representation in unemployment and poverty statistics, it's also important to remember that this urbanisation led to Maori becoming leaders in the class. Across the country, and in the blue-collar industrial working class such as in the freezing works in particular, Maori workers formed the vanguard of the militant trade union movement.

Rogernomics, and then the Bolger National government, hurt Maori workers particularly hard, concentrated as they were in forestry, the meat industry, manufacturing and other sectors that suffered the most through the 80s and 90s. A generation has grown

up inheriting casualised, low-paid and often un-unionised jobs. But now these workers – the focus of fighting unions like UNITE – can continue the traditions of Maori working-class struggle.

Maori struggle can't be reduced to the class struggle, but it can't be removed from the class struggle either. Right wingers are desperate to paint Harawira and the Mana Party as contradicting themselves when they talk about a movement for Maori and the poor. National party supporter and right-wing blogger David Farrar wrote on his *Kiwiblog* on May 17 that "all the Mana Party policies focused on non-Maori issues." But how are poverty, low wages and asset sales "non-Maori issues?"

Joint Struggle

Throughout the history of capitalism on these islands the two struggles – for Maori rights and for the working class more generally – have been intimately interconnected. An upsurge in one has fed in to build or revive the other: it's no accident that the 1970s saw a prolonged wave of strikes and workers' militancy and birth of the modern Maori protest movement, of which Harawira is a product. Activists were often trained in both movements. Two of this country's most important intellectuals, Tama Poata and Hone Tuwhare, illustrate these connections: Poata became a unionist and socialist while working on the Roxburgh hydro project and went on to be a militant in the Drivers Union. He'd go on to be a leader in the new wave of Maori protest in the 1970s and, later, wrote the screenplay for *Ngati*. Tuwhare was for many years a member of the

Communist Party, and stayed a leftist and unionist throughout his life.

These struggles' connections intensified as a result of post-war urbanization, but they've been part of the working class movement's culture from its formation. The Shearers' Union in 1887, for instance, printed its union rules in Te Reo Maori (inset). Union secretary W.G. Spence reported that "we had the rules translated and printed in Maori. We enrolled a considerable number of that race and found them staunch Unionists." As Maori have led and shaped working-class struggle, the education of involvement in unions and contact with socialist politics has also pushed non-Maori workers to the left, leading them to identify with an support Maori struggles. Many unions offered concrete support to Ngati Whatua's epic occupation of Bastion Point / Takaparawhau in the 1970s; when police arrested 222 people as they smashed up the occupation in May 1978 over half of those arrested were Pakeha and Pasifika.

These two examples are just some from many in the history of our side. The challenge for us building a socialist organization is to deepen this connection; in a country founded on land dispossession and theft, it's impossible to imagine a socialism that doesn't champion Tino Rangatiratanga. As recent events show, though, and as the sorry history of the Maori Party's coalition with National reminds us, visions of Tino Rangatiratanga need socialism at their core.

Dougal McNeill

A slack budget from a lacklustre govt

This budget is part of why the gap between the rich and poor in this country is increasing; it's not difficult to point to the cuts being made against working people, students, and beneficiaries - with bail outs and tax cuts for the rich. It is what we have come to expect from New Zealand's government over the past few decades.

So where will this budget lead to for the next four years if National is elected again? This budget has no overarching aims beyond "fiscal responsibility" (read: cutting spending) "Rugby World Cup" and "Ultra-fast Broadband". It is based on the unrealistic idea that New Zealand's economy is recovering at fast speed, despite the world economic collapse being massive. This budget will leave the door open to pursue much more severe 'austerity' (read: cut backs) measures and increasing the one-sided violence in the war against the poor. These austerity measures are following the line similar to those being doled out in most western countries in the world, throwing up mass movements in most western countries from the USA in Wisconsin, and all throughout Europe in Spain, the UK, and Greece in particular. We have seen revolutions all through the Middle East against these neoliberal policies.

Whether National or Labour get elected



and our own. Where in Australia parents get \$126NZ per child compared to \$88NZ for the first child and \$61NZ for any subsequent ones in New Zealand. These changes are harsher than expected as the average wage is \$41,600 a year – the cuts to working for families targeting those who earn more than \$35,000 per year will effectively negate the tax cuts given last year by National.

Yet again the government attack those still struggling to come to terms with increasing unemployment, a destabilised world, and the basic struggle for food, rent, and petrol. This shows that although tax cuts keep getting better and better for the rich, what little scraps are given to the workers to placate them are ripped back off them as soon as convenient. Disregarding inflation and allowing for the GST increase from 12.5 per cent to 15 per cent, also last October, the net effect of all National's tax

amounting to a 75% reduction in government contributions. Minimum contributions also rise to 3% of annual pay. This compulsory savings scheme actually does very little for increasing growth of an economy and is just the government trying to make sure that it doesn't have to pay for your retirement or funeral costs. This will result in a 10% increase in end funds at retirement if started at age 20 that amounts to (\$292,500) for an increase of 50% in weekly payments.

They will cut around \$1 billion (\$980 million) in state agencies over the next 3 years – without stating exactly where these cuts can be made. This is aside from the cuts that have already been stated, with \$94.2 million being axed from ACC budget. Our healthcare system will fall into disrepair, already a problem advancing in many areas with protests in Dunedin about the removal of neurosurgery being a timely reminder. The Ministries of Social Development and Economic Development are being cut by \$46 million and \$49 million respectively. Where will all this unspecified cutting come from?

Rumours have surfaced about the Treasury's estimate of the growth of Kiwibank – particularly its mortgage equity income. However there is a wide variation where the estimate is between \$86 million or \$2.2 billion in two years, it seems like they are playing financial guessing games. This is important as rumours have surfaced regard the selling off of these mortgage equities much like the American housing crash.

Property bubble

New Zealand is in a massive property bubble at the moment, with 50% of



this year the gap between rich and poor will increase. People's benefits will decrease. Support from the state will nearly become non-existent and the publicly owned services we take for granted will be shattered and sold off piecemeal.

Bill English has produced possibly the most lacklustre, shortsighted budget in many years.

While not offering a major overhaul of the benefit system, Working for Families tax credits will be cut back over the next decade with the final changes in place by 2019. What will be noticed is the difference between Australia's policies

changes will be to cut the net income of a two-child family, with one fulltime earner and one half-time earner on the median wage, by 1.4 per cent by 2018. In contrast, the rich have gained hugely from the tax cuts and are not affected by the family support changes.

What will be cut in half are government contributions to the Kiwisaver scheme and both workers and employers will have to pay 50% more. The government has also put workers on notice that if they are not enrolled in the scheme they may be enrolled automatically within the next year. Tax credits for employer's contributions have also dropped

ELECTION YEAR

mortgages in NZ "floating" or variable mortgages. The cost of selling those interests on to a private corporation could spell disaster for the majority of working class homeowners across the country.

The Government will sell nearly half of our state-owned enterprises (SOE's) over the next few years, amounting to some \$5 billion to \$7 billion in assets (enough to prevent borrowing for the country for 6 to 8 months). The total overall value of SOE's is \$15 billion. This is stated on the budget as money we already have and will spend - not factoring in the fact that assets do not equal cold hard cash. A third of this money was slated to go towards the rebuilding Christchurch fund. Confirmed so far are the selling of partial stakes in four state-owned energy companies, following a mixed-ownership model of private shareholders and the state. This is being planned for Meridian, Genesis Energy, Mighty River Power and Solid Energy, with the government claiming increased capitalisation is good for the economy - in reality all it will do is make the companies more exploitative causing the cost of energy for heating and such to go up.

Selling SOEs

But as Labour MP David Cunliffe pointed out, the selling off of SOEs because of lost profit returns would give us less than the value of the enterprises themselves. All this just to pay off a debt with only 6% interest as compared to the 15% in revenues generated by the SOE's. They are also going to sell the majority shareholding of Air New Zealand. This may be the death of the airline and of acceptable transportation around New Zealand leading to a shift away from local areas to just Auckland, Hamilton, Wellington, Christchurch and Dunedin, as the service to local areas is not in the interest of the competing airlines. As a result, a price war may develop but it would be bad for the working class because the jobs that have been barely maintained after all the cuts so far, will be lost.

Another example is the deal done with Telecom over the ultra-fast broadband project. Telecom has now won over 83% of the contracts to provide New Zealand with ultra-fast broadband. In a deal rushed through under urgency the government agreed to give the contract to companies bidding for it and then pay for the installation of the fibre-optic network. As a condition of the contracts, Telecom now has to split into two separate companies, a process which is going on at this moment. The two companies are Chorus, who handle the networking and physical hardwiring of

the fibre-optic system and Telecom who distribute telecommunication across them.

This is supposed to make it less monopolistic for Telecom and allow other cheaper internet service providers (ISPs) to sell on the fibres as well. But this is just for show because there is no guarantee Chorus won't ultimately favour Telecom in all its deals. Also the clause in the contract allows Telecom to charge whatever price it wants for broadband for the next ten years without interference from the Commerce Commission. This all means expensive internet access for us and other worries around 'net neutrality' because the internet will be controlled by one corporation run for profit.

New Zealand has not yet started to recover from the global financial crisis, the South Canterbury Finance bailout and the immense toll of the Christchurch earthquake. Apparently privatisations and massive cuts to government spending will help us deal with the problems of rising unemployment, stagnant wage rises, the decline in home ownership, and the rising cost of living. How do they get away with all of this?

The answer is spin. All the cuts in the

much as 3.1% of GDP just last year. We are supposed to believe 4% growth next year based on a Rugby World Cup which is still only half sold and the Christchurch rebuild which still keeps suffering from aftershocks. The Treasury itself mentions in the fine print of the Budget that it is not entirely convinced that economic growth will bring in sufficient tax revenues to meet these objectives. The IRD's estimates for tax revenue are somewhat lower than the treasury's by around \$1.5 billion. Just a 1% drop in GDP would correlate to \$33.3 billion being taken out of the Budget.

The Government has claimed that a 4% rise in wages and 170,000 jobs will be created in the next four years (for an example we have created 82,000 jobs in the last 6 years). These statements come from two things. Firstly the rise in inflation over this time period 'justifies the natural rise in wages' - real wages will fall. Secondly, the Christchurch rebuild and the Rugby World Cup will stimulate the growth of the country. These are hardly convincing. The huge underlying assumption of this Budget is that we are recovering from the economic collapse.

Are we recovering?



budget are justified by the return of positive economic growth and recovery of the economy. This is important for 'stability' and the economic rating given out by ratings agencies such as Standard & Poors. These are extremely corrupt institutions and were a major contributor to the financial collapse of 2008 by rating dodgy mortgage equities as AAA. These are integral to the hegemony of financial capitalism worldwide. The valuation of New Zealand after the budget announcement is still negative. This is because of the extremely optimistic forecasts from the Treasury department.

Over-optimistic predictions

The Budget only looks good if we believe the 4% growth forecast from Treasury is right. Let's compare their predictions from 2008. They claimed we would get 1.5% growth, 2.3% growth and then 3.2% growth. We actually got -1.1% growth, -4% growth and -1% growth. Treasury have been out by as

All we see is benefits being cut, people losing their jobs, and importantly their homes, as well more and more people living in poverty. And the government solution? The rapture is coming so we don't really need to know that the standards of living are falling, the gap between the rich and the poor is growing, and large scale food riots are breaking out all over the world. This government doesn't care if life gets a little harder for you, whether being able to feed, clothe, or warm yourself in the winter becomes more difficult. It only cares about reducing the deficit and keeping us as high-skilled, low-paid workers.

National have no plan. Labour's policies are just as hopeless. So I say let's fight this Budget, this Government, and this system just as they are doing how in North Africa, the Middle East, and Europe. One struggle one fight, workers of the world unite.

Josh O'Sullivan

From austerity ... to action!

Let us ask ourselves why do we, the masses, who have no involvement in world finance capital have to pay for the capitalists' mistakes?

Why should we foot the bill for their failed decisions and fraudulent activities? The implementation of these austerity measures is supposed to save the world financial economy from collapse, with many in power stating that this is necessary in order to stop the international trade market from collapsing. This is a lie, this is not to stop international trade collapsing, this is to stop the great financial powerhouses which dominate world trade from collapsing. These businesses are supposedly too big to fail, while in reality they are too big and have too much money for politicians to allow them to fail. This is how democracy works in this world since the financialisation of the economy in the 1970's, those with money get to vote, those without money don't matter. This is a worldwide battle and New Zealand is no exception to this already we have seen the increase in taxes for lower income families hidden behind a rise in GST, tax-cuts for the rich, closures of schools and workplaces all of which show the lack of respect the government has for its constituents. In Response to this and the worldwide battle over austerity we say **NO CUTS, NO CLOSURES NO COMPROMISE!** The center of the fight against austerity today is Greece--where strikes and mass protests are shaking the country as parliament votes in favor of even deeper cuts.

ACROSS BORDERS, and in many languages, the world's political leaders and business elite have the same message for working people: You're going to have to live with a lot less, for good.

But since the beginning of the year--in Athens' Syntagma Square and the Plaza del Sol in Madrid and Tahrir Square in Cairo and even Capitol Square in Madison, Wis.--there's been an answer back from working people: No!

Each of these struggles has been through high points and low points, victories and setbacks. When millions of Egyptians celebrated the fall of the dictator Mubarak in February and looked forward to an end to repression and neoliberalism, the struggle in Greece seemed to be experiencing a lull. Now that millions of people are mobilized in Athens and other Greek cities, the battle in Wisconsin is going through a difficult phase.

But taken together, all these struggles have made 2011 a year of resistance--one that has brought millions of people into political activity for the first time and laid the basis for ongoing protest. This worldwide fightback, in all its forms, is revitalizing and reshaping working-class organization and politics--and underscores the need to build the left and socialist organization internationally. As the second half of 2011 begins, the center of the fight is Greece.

The country's center-left government is working with unelected European bureaucrats and the International

Monetary Fund to impose a second set of sweeping austerity measures--this on top of last year's program that included higher taxes, lower pay and sharply reduced social services. The country's parliament voted in favor of the new cuts on June 29.

European governments are ratcheting up the pressure on Greece for fear that even a partial default on its \$471 billion debt would create a domino effect in the continent's banking system. Some banks would have to write down the value of Greek loans on their books, forcing them to restrict lending or even go under. Others would be required to pay out tens of billions of dollars in complicated insurance payments that would be triggered by a default.

So for the bankers and the politicians they control, the answer to the crisis is obvious: Workers have to pay--and keep paying until the capitalists' problems are solved.

If they think they can get away with it, it's because Greek Prime Minister George Papandreou and his PASOK party did succeed--despite a series of one-day general strikes and countless protests--in imposing drastic austerity measures a year ago in exchange for a \$157 billion bailout.

But that money bailed out the financial system, not Greek workers, who endured a drastic cut in their standard of living. If the government's claim that tough measures were needed persuaded many last year, this year is another story, as Panos Petrou, of the socialist group

Internationalist Workers Left, pointed out in an interview with SocialistWorker.org:

This attitude has changed over time. First of all, it became clear that the rich aren't going to pay a single cent, and this feeling of injustice has fueled the class anger. Then came the realization that the cuts will keep coming unless we react. Countless times, the minister of finance reassured the public that there would be no more sacrifices. But new austerity measures kept coming.

Austerity was supposed to lower labor costs in Greece and stimulate the economy. Instead, the cuts have only sent the Greek economy spiraling downward while the debt burden keeps mounting. The amount Greece owes is expected to reach nearly \$500 billion by 2015--which would mean an ever-increasing share of Greek economic output going to repaying the banks.

But after a year of suffering, Greek workers have had enough. Now, union protests are taking place amid an even broader mass movement of the *aganaktismenoi*, or "indignants," who are occupying Syntagma Square outside the parliament building and other public squares around the country.

The Greek protesters were inspired by the mass encampments in Spain's plazas, led by young "indignados" fed up with unemployment rates of 20 percent and social service cutbacks. The Spanish protests were themselves modeled on the occupation of Tahrir Square in Cairo--the symbol of the movement that overthrew Hosni Mubarak. And that struggle for Tahrir had an echo in the U.S., when hundreds of thousands of workers and their allies rallied in Wisconsin for the better part of a month last winter against anti-union legislation.

And these are only the most recent and dramatic manifestations of the resistance. In Iceland, after months of protests, voters in a referendum in April rejected the government's call to repay \$4.8 billion to British and Dutch banks to cover those governments' cost of a bailout of Icelandic banks. Last November, Portugal saw the biggest general strike since the country's 1974-75 revolution. A few weeks later, Britain saw the largest student protests in decades--and a one-day strike of three-quarters of a million public-sector workers on June 30.

Thus, the battle over austerity has gone global, just like the financial crisis and recession that prompted it.

To rescue banks and corporations of all sorts, governments around the world

GREECE FIGHTS BACK

handed trillions of dollars to CEOs and wealthy corporate bondholders. Now, these governments are determined to make workers pay for that bailout with lower wages, higher taxes, delayed retirements, diminished but costlier health care and more expensive education.

The anti-austerity struggles, as powerful as they are, haven't yet been able to turn the tide. Papandreou got his vote on a new round of austerity this week, in spite of the upheaval. Likewise, in France last fall, a series of dramatic strikes and mass protests--the most widespread since the general strike of 1968--failed to stop a proposal to raise the retirement age.

This shows how determined the capitalist class is in pushing its program despite mass resistance--and the politicians are obliging them, whether they're conservatives like French President Nicholas Sarkozy and British Prime Minister David Cameron, or "socialists" like Spanish Prime Minister Jose Luis Rodriguez Zapatero and Greece's Papandreou.

"When I went into this crisis, I said my basic goal in this position is to save Greece and reform Greece," Papandreou said last year. "And I don't care if I am not re-elected." In other words, it's going to take a much higher level of struggle to defeat the austerity agenda, given the stakes for big capital.

But Greek workers are increasingly conscious of that, and they've stepped up the pressure. The 48-hour general strike in both the public and private sector on June 28 and 29 signals a new stage in the struggle.

The austerity agenda is reshaping politics in the US as well, though at a different pace. The rationale is the same--public-sector workers and retirees are supposedly "living the good life at taxpayers' expense" and draining the public treasury.

The struggle in the U.S. (and NZ) is far smaller compared to that in Europe,

much less the rebellions and revolutions across the Middle East. But the fightback has begun.

The mobilization of workers and students in Wisconsin this past February and March was one of the largest mobilizations in recent U.S. history, and the spate of smaller anti-cuts actions around the country since point to the possibility of ongoing campaigns to defend social services and the public-sector workers who provide them.

Building the resistance will require patient organizing that continues between the big protests. Working people will find the political parties they've traditionally supported are either carrying out the attacks directly or doing nothing to stop them. But smaller fights can turn unpredictably into bigger ones. The crucial lesson is to be prepared to take the struggle forward when the opportunities arise.

For their part, the unions, accustomed to backroom deals with employers and su

pposed political allies, are now confronted by a capitalist class that has raised the stakes dramatically--organized labor has still not faced up to the reality that employers are out to gut their power.

That's why it's important to build the left in the fight against austerity measures. To revive as fighting organizations, the unions need networks of militants organized to build the struggle on the ground.

Whether in the U.S. or Europe or elsewhere around the globe, mainstream politics today offers a choice of only which kind of cuts to accept. The case for an alternative--a socialist society, based on workers' democracy and meeting human needs--will find a growing audience among those in the new resistance.



I ♥ NY: Marriage equality victory

On June 24 – almost 42 years to the day after riots at the Stonewall Inn in Manhattan gave rise to the modern LGBT rights movement – New York became the sixth state where same-sex marriage is the law of the land.

This is a tremendous step forward in the struggle for marriage equality – arguably its biggest achievement yet. The Marriage Equality Act passed the state senate and was signed into law that same night by governor Andrew Cuomo. Lesbian and gay couples can begin to marry when the law goes into effect in 30 days – on July 24.

This makes New York the sixth and largest state of the US where same-sex marriage is legal. Massachusetts, Vermont, New Hampshire, Connecticut, Iowa and the District of Columbia also sanction marriage equality. In California and Maine, statewide referendums in 2008 and 2010 reversed previous same-sex marriage victories. But these defeats

especially in California, where the anti-gay marriage Prop 8 won on the same election day Barack Obama captured the White House – spurred a nationwide struggle that blunted other attempts to stop gay marriage and gave rise to a new generation of activists.

The victory now after several previous defeated efforts is testament to that struggle. For the millions who organised, protested, petitioned and otherwise supported marriage equality, this is a sweet moment. New York must now provide the hundreds of rights, benefits and protections currently limited to opposite-sex couples.

Hundreds who heard of the news of the vote Friday night headed down to Sheridan Square in the Village, where the original Stonewall riots took place. People waved rainbow flags, chanted, kissed, hugged, and danced jubilantly.

Popular support - religious opposition

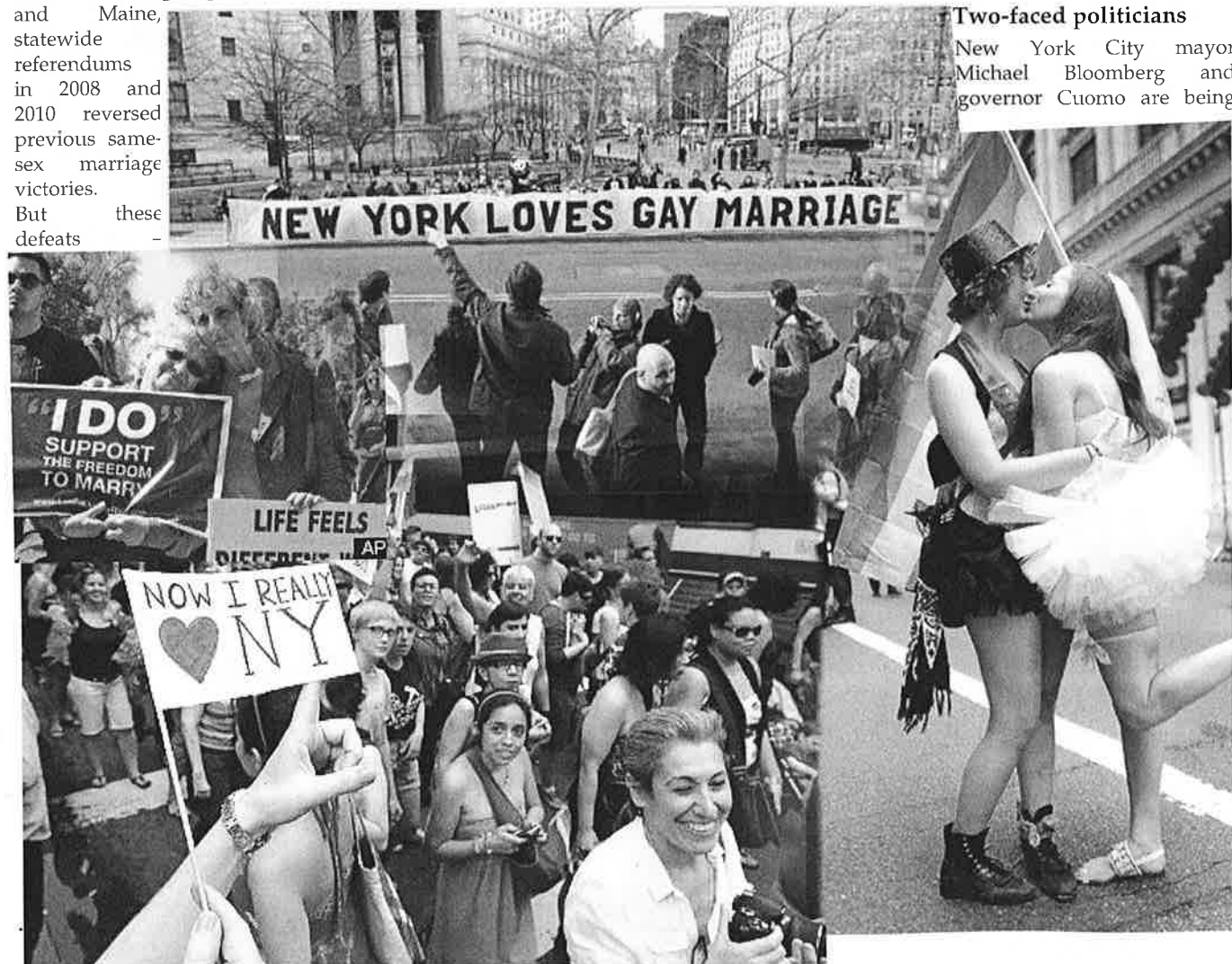
Friday's senate vote was a welcome contrast to 2009, when same-sex

marriage was defeated, even though the Democrats controlled the senate. But over the last two years, polls have consistently shown a majority of New Yorkers in favour of marriage equality. A 2004 poll found 37 per cent of New York State residents supported gay marriage. By this year, that number had risen to 58 per cent.

This time around, New York Democratic legislators were virtually unanimous in their support for the marriage equality – save one, the notorious Pentecostal minister Rubén Díaz of the Bronx. On May 15, Díaz organized a hate-filled Bronx rally against same-sex marriage, featuring one speaker, reverend Ariel Torres Ortega, who said gays are "worthy of death". Groups against marriage equality with innocuous-sounding names, such as the New York State Catholic Conference, New Yorker's Family Research Foundation, New Yorkers for Constitutional Freedoms, the National Organization for Marriage and the Christian Coalition, pressured state senators to vote against the bill.

Two-faced politicians

New York City mayor Michael Bloomberg and governor Cuomo are being



QUEER RIGHTS

hailed as heroes for showing more backbone than is typical for politicians on this issue – though with public opinion on the side of same-sex marriage, especially in New York City, it wasn't an unpopular stand. And of course, this is the same mayor who is cutting meals and housing assistance to people with AIDS, and cutting aid meant to help runaway homeless youth stay safe and off the streets. Unfortunately, the media are unlikely to credit those who have been organising toward this victory for years. A continuous stream of pro-equality protests, from Queens to the Bronx, and Albany to Rochester and beyond, turned up the heat. New York unions devoted resources to the campaign.

The victory in New York raises questions about the issue at the federal level. After

all, the rights and benefits won with this new state law don't include 1049 federal rights and benefits, including Social Security, Medicare, health care and others. The Defense of Marriage Act (DOMA), passed under President Bill Clinton, barred federal recognition of same-sex marriages even in states where they are legal. Barack Obama has promised to work toward repealing DOMA, but he has done little to act on this pledge.

The pressure from New York can revitalize the struggle at the federal level. And what's more, though marriage equality has been at the cutting edge of the LGBT movement for the last decade, there are many more fights ahead. It's still legal to discriminate against LGBT people in housing and employment in a majority of states. Fortunately, the victory in New

York isn't likely to stay in New York.

Jake Kornegay



Penpusher prejudice at Otago Uni

This year I have been assisting a friend in getting their gender changed from male to female on their records. This amounts to changing the box that gets checked on a form.

She met with a woman who was unable to help her at all, even though her office handled student information. She was also met with disrespect and impatience to add insult to injury. She describes the experience as "humiliating, patronizing and frustrating". That is when her uphill battle began and she asked for help. It is a battle to get her gender identity correct in every part of her life. Why this is significant is because these university documents will follow her for the rest of her life. They will be there at every job interview and an employer will be expecting a man and meet a woman. This is not only distracting and takes away from her credentials, it also opens her up to discrimination. It is inaccurate, unreasonable and potentially harmful to her future employment.

So why is it a struggle at all? It seems that there is no one in charge of this process. At the heart of this battle, is an institutional prejudice. This is not an uncommon form of discrimination and can have a significant impact on a person's life. What makes this struggle unique is that we are not fighting for something specific. For example my friend is a woman and would be most

pleased to check that box and have a straight simple swap. She would settle for checking a box that says transsexual or transgender or other, simply to avoid bigotry at future job interviews by employers.

But where does that leave others in a similar situation? Where do those who fit into neither check on their forms? Identity is what gives people confidence and when theirs does not fit into the rigid forms that are assigned to them, it can greatly damage their self esteem. Imagine being forced to act as the other gender for your whole life!

What we want from the university first and foremost is to help my friend. What we also want is a clear path for those who want to change gender so that they are not dismissed and brushed off as being difficult. Thirdly we would like to see an "other option" a "third option" or perhaps an "x" option so that those who do not conform to either male or female will be accurately represented and free to be as they are, with no pressure to conform with their university documents.

We are not asking for anything that hasn't been done by other institutions in New Zealand. It is not an uncommon practice. Obviously ticking another box is not an issue either. What we're fighting against is the bigotry of those who find this issue unimportant or maybe even resent gender ambiguity

who designed and maintain these forms. Either way, the battle is the same. We're being faced with the options of changing her birth certificate or passport, both of which are expensive and time-consuming in the face of graduation at the end of the year. Should she have to spend money to change her name? To change her birth certificate and to change her

passport all while paying for her transition? This is also discrimination it should not be necessary for life to be more expensive so that she can be regarded as a woman on university documents.

How are we going to accomplish this? Well, past cases that we know of have been dismissed by the university and left to face the world. However, after having reached out to the

queer support office we have started to appeal to several university officials to get the change made. No success yet but no dismissal either. If we can get a certain individual to allow this change, then there will be a clear path for future students to go down that's a lot smoother than the one my friend has to take. If we can get another option added to the form more the better. If nothing happens through the university officials, then we will have to step up our game. We will bring them some real challenges, in the form of direct action, and get this change to occur.

Taryn McGarry

Fighting for pay and job security

In new austerity measures, New Zealand Post recently announced the closure of several PostShop stores around the country and the downgrading of services at others. ISO activist Derwin Smith interviewed a New Zealand Post employee about the most recent round of negotiations.

Q. Where do you work?

Liz: I work at NZ post sorting mail, in Dunedin. I've worked there for 3 years and we have about 40 on our shift and we work bloody hard to make sure the mail gets processed.

There have been multiple rounds of redundancies and hour cuts over the past few years. We thought the initial one would be the end of it because they have had so many redundancy rounds before I started. There is a reasonably good redundancy package and it's not going to be altered in this round of negotiations.

Before I stated they had a big layoff, they got some mail sorting machines with massive redundancies. They employed 13 people the year after that and that's when I started. They still needed people to sort the mail.

Then the year after I started they had another round of layoffs. I think that most of the people that were laid off were 'older' people that were due for retirement. About 40% of the remaining staff had their hours reduced. However people got paid full time hours for a year even though they had their hours cut down.

As people leave they don't replace them so we have to work harder and faster. The excuse is that mail volumes are dropping however mail is still there and needing to be sorted.

It makes people bitter and uncertain because we don't know when there will be new redundancies.

Q. What union represents you and what do you think of them?

EPMU has been in the post since the 1990s. I don't think they are a very strong union, they don't seem to have the fight that a union should. They tend to leave a lot of the contract as it is and they don't push hard enough for pay

raises, they just take NZ Post at their word that they don't have enough money.

The officials don't listen to the demands of the union members on the shop floor.

Q. What did they do about the redundancies?

They came along and said that the offer was not good enough but the offer the union officials presented to us was not much better however the union did negotiate to get the full time pay for one year for people who lost hours.

I organised a stop work for my shift so we could talk about the layoffs without the bosses or the union officials so we could come to a good decision. On our shift we decided that the offer the union put forward was still not good enough and we all decided to take a cut in hours over people losing their jobs.

Q. What did the union officials think about this?

The union officials didn't really get a choice, we all wanted to make sure everyone kept their job because it's so hard to get jobs in Dunedin. We didn't think the union officials were or are strong enough and don't really represent what we want. With saying that I would never pull out of the union because it's a safety net that should be there any way.

A problem with workers in Dunedin is that because jobs are so hard to come by people don't talk out enough about pay and conditions at work or what they would like to see from our employers. People are scared that they will lose their job or miss out on extra hours because they will be seen as shit stirrers. However we need to talk about work or it will never get better.

Workers are really scared about speaking out in Dunedin, there is definitely a culture of fear.

People are worried that their name will come up in the next round of redundancies if they rock the boat.

Some people don't even have a clear view about what they would like to get from their employers.

Q. What was the offer in the latest round of negotiations?

For mail sorters they wanted us to take a \$1000 before tax lump sum which equates to about 3% for a year and a 2% pay rise over 27 months. I don't think it's a high enough offer due to us working a lot harder than in the past and the costs of living are going up.

In the EPMU magazine they set their pay

targets at 4% and that's at least what we should be aiming for with the extra \$1000 for the sheer fact we have stuck it out at NZ Post.

The problem with our work is that our contract covers sorters and posties that deliver the mail up and down the country. We need everyone up and down the country to vote no on the contract to force the union officials to go back to the negotiating table.

The union officials were pushing hard for this deal after only negotiation with NZ Post for 6 days.

They were making it out that 6 days was a lot of work. People from my shift alone paying \$6 a week, 52 weeks a year, is a lot of money. NZ Post expects us to work hard why can't our union officials work hard for us?

They gave us all a leaflet that urged us to vote yes – that times are tough we need to consider the alternatives.

Q. What do the union officials mean by that?

To hear the union talk - if we push for a higher pay rise now the Post won't survive for the next two years.

In my opinion if they are not going to be around in the next two years, which I'm sure they will be, I have all the faith in the world it is not going to shut down completely, they need mail sorters.

However even if they are going under why shouldn't we get as much out of them as we can?

It's obvious that this is used by the union officials to intimidate union members. The union didn't say that if we take this deal NZ Post will survive... they haven't said that if we take this deal the redundancies will stop... If we listen to the officials it seems like there's no hope either way.

Q. What did you do at the meeting?

We got the leaflets a few days before the meeting so I decided on a few questions I wanted to bring up at the meeting.

We let the officials say there wee bit at the start then we started questioning them. A few of the older guys there, the team leader type people, were asking questions as well as me.

The union wasn't prepared to answer any questions in a satisfactory way...

They said this was the best deal we were going to get. But 6 days negotiations is not good enough, they worked hard for 6 days but we pay dues for 52 weeks of the year.

At one stage one member asked what

INTERVIEW WITH A NZ POST WORKER

would happen if we reject the deal. The union official answered back in a childish way, he said: "Oh, how long are you willing to go out for?"

Which he was meaning going on strike. He was a yes man for the bosses and he didn't want to fight for us, he wants to satisfy the bosses not the members. The way he phrased it was not serious...

This would be different if the union officials had come to us and said that they weren't happy with the deal and we should talk about how we go forward with the negotiations, this was obviously not the case. Though it may come to strikes, I don't know.

I asked them about the one off payment. The fact that the non-union people will get \$650 and union gets \$1000. This difference is made up by the amount of union dues we pay.

The official replied "That's just the way it is and that's the way it's always been" – non-union people always float on the unions coat tails.

I said that god created the heaven and the earth in 6 days, jokingly, but the union is not god and they will have to go back to the negotiations.

I said the pay rise was not big enough. Obviously people won't turn down \$1000, but the pay rise was not good enough. I think by putting that \$1000 makes the deal look a lot better than it really is, the union officials and bosses trying to pay us off. It is a temporary fix, not a solution. We should be getting good per hour pay rises.

It does mean 3% for this year but it does not build up in the future, it does not get built on by pay rises in the future. Even though you might not stay there you have to think of people that come along behind you as well.

Q. What was the feeling with your co-workers?

Initially most people were prepared to say yes to the deal because the \$1000 was a massive juicy apple stuck in front of their face. But once they listened to a few of the older people and myself they realised that no, it was not really a very good offer. It sounds good initially but in the long run its not.

Q. What was the vote?

By the end of the meeting a majority of people voted against the deal even though the union officials pushed it. Some people still voted for the deal, but most of these had another income of some sort or partners that were working... most of the people whose sole income was from NZ Post voted against it.

I don't know what the votes will be like around the country. They could say yes and the deal could be accepted.

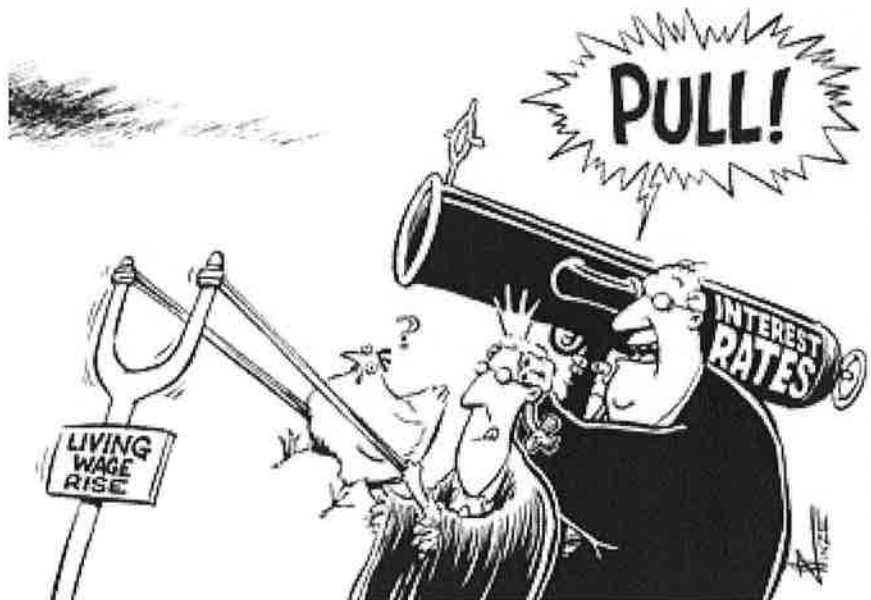
Q. What do you think is the

way forward for the workers movement?

I think that we need to be stronger and realise that our employers need us! They need us to do the work.

Unions should get stronger, the whole idea of a union is that people uniting together to fight for better employment and be stronger together. To me the EPMU does its own thing and then tells us that this is what we are doing. There is not enough engagement with union members. Before the negotiations they should have been asking us what we wanted and what we would like to get. Communicating with people is what they should do and listen to the members.

It is important that union delegates need to be in touch with people around the city and the county as a whole to get the feeling of where people are at.



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It is one of the key aims of the International Socialist Organisation to rebuild a network of union activists around the country. This needs to happen within individual workplaces and industries but also across all industries in the country. Building such a network is a key task in laying down the foundations for a revolutionary workers party in Aotearoa. We also believe that this task goes hand in hand with rebuilding a Marxist current in the workers movement. Marxism is the theory of working class struggle and revolution. Rebuilding a fighting workers' movement without clear social, economic, and political theory from the perspective of the international working class means that we will not only be less effective

activists but ultimately our movement will fail when crisis appear. Whether that failure is to defend working class living standards, like at NZ Post, or in revolutionary crisis, like in the Middle East, the workers movement needs clear theory and strong organisation to move forward.

DEFEND HILLSIDE

Interview with David Kearns, Rail Maritime Transport Union (RMTU) delegate at Hillside Workshops in Dunedin, by Derwin Smith.

Q. How long have you been working at Hillside and how has it changed over time?

I started my apprenticeship in 1985, I was 18 years old. In 1985 Hillside Workshops was part of the NZ Rail Corporation, we were public servants then. When I started there were just over 500 workers, it was common to take on batches of 20 or 30 apprentices each year, Hillside had its own training school across the road.

As a government department we operated as an accountable business but there was a social and training responsibility also for the wellbeing of New Zealand. In the 1990s the apprenticeship system effectively ended, causing a gap in trade skills down the line. Later the new unit standards-based training came into effect, and Hillside also employed many immigrant tradespeople, which has gone some way towards regaining the skills base.

It wasn't operated just as a business; it also was doing a social thing. The next thing that happened was in 1993 we were sold to a consortium – I think the major shareholders were Fay Richwhite and Wisconsin Central Rail – at this time we were under the company name of Tranz Rail.

Q. Did the workplace culture change with the privatisation?

When we were sold there wasn't that much of a culture change... at that age I

was pretty naïve and I didn't notice much. But in early 1990s we had our first round of redundancies. At that point I had resigned and was overseas.

There was another big round of redundancies in 1993-4 that I was there for. The number of workers went down to around 100 permanent employees. It was crazy; the foundry had only 10 people working in it when 40-50 can work in there easy. They wanted a really small crew of permanent workers and when they got extra work they hired everyone else on temporary contracts.

I was a temp for a short time before I was made permanent. The union ran a campaign to get the temps who had been working for a certain period of time be hired as permanent staff. Some more of the temps have since become full-time employees... some of people who were made redundant, thrown on the dole que, were hired back on temporary contracts.

When it was Tranz Rail, Fay Richwhite asset-stripped it. That's why our tracks are all run down. A lot of the signals equipment was stripped out and sold. Fay Richwhite left the country with heaps of money – they sold all their shares with the knowledge they were just about to crash. Fay Richwhite were taken to court but weren't convicted, they 'voluntarily' gave back \$20million – that tells you they were in it right up to their necks.

Q. What happened after this?

It went from Tranz Rail to Toll NZ, the Australian parent company transport network bought the whole company, in 2004. Toll also neglected the infrastructure. The tracks and signals is called 'permanent way' that's the

permanent infrastructure that was neglected by Toll – they were just there to earn revenue from the freight. Then in 2008 the Labour Party Government bought back the company, now it is Kiwi Rail. We were rapt about this. However we do remember that it was the rogue Labour Party that started Rogernomics in first place.

Labour was accused by the Nats that it was stupid because they paid four times what it was worth. My answer to that is the rail system has been raped for 20 years, those bastards that asset-stripped it and took off with the money is treason against the people.

Q. When did the Keep Kiwis Working campaign start?

The actual campaign started over a year ago but has taken off because of these proposed redundancies. The union had a campaign which was protesting the fact that Kiwi Rail was not allowed to bid for building Electric Multiple Units (EMU). What they are is three carriages which make up a set which is self-propelled. You have to have the three carriages together to make them work and all three carriages hold passengers. The EMUs are used in suburban rail in Auckland and Wellington.

We were not allowed to bid to make new ones for those back in 2009 so the union started a campaign called New Zealand Work for New Zealand Workers. In Dunedin we held a meeting that ended in the formation of the Keep Kiwis

Youth rates? No way!

Youth Rates are discrimination rates. At 16 you are free to leave high school, to work full time or to get into uni to study. At 16 Many youth need to work to survive. With the current proposition of youth wages of \$8 to \$10 for people ages 16 to 24, living in the current climate will be next to impossible, writes Jennifer Josling of Socialist Aotearoa.

The government say that youth rates will bring more jobs for youth and also lower the unemployment rates of youth - that they will have more opportunities. I see this going a few different ways.

Firstly, that youth get jobs but have to work many hours to survive, meaning whatever else they may need to do such as study becomes impaired, meaning that they miss out on other important life experiences and time with family

and socialising.

Secondly, There will be no work for older people. A business will do what they want to maximise profits and if this means hiring low-wage workers, then they will hire them over adult-wage workers.

Therefore, youth unemployment might go down, but adult unemployment will go up.

We can fight youth rates, we have done it before, we can do it again. Examples are the Supersize My Pay and the \$12 per hour Campaigns.

In 2006 I was involved in negotiations with Restaurant Brands [the parent company of KFC, Pizza Hut and Starbucks] trying to get better wages for the workers. Being a worker at Starbucks I could influence negotiations from the inside, taking my workmates on strike etc. I closed my store down 3 times. One of the things we were fighting for was the end of youth rates. Youth rates didn't affect Starbucks workers, but it was a problem in KFC and Pizza hut.

Having taken my own store on strike several times I then organised KFCs in west Auckland to join the union and eventually took them out on strike. The most awesome one was the rolling strike at westgate shopping centre where there were all three brands. First I

closed down KFC, we jumped into our cars, some marched, and we went down to Starbucks where we had a picket and took out some of their staff. Then onto Burger King where they also joined in, and then Pizza Hut. Although a number of them went back to work afterwards, some stayed on, going to Burger King Lincoln Rd (BK was in negotiations then too). We had many strikes and pickets in other parts of Auckland with memorable strikes such as KFC in Balmoral and the end the youth rates/Supersize march up Queen Street, culminating in the "Big Pay Out" in Myers Park.

Getting an agreement with Restaurant Brands took a while, but in the end we won. They agreed that youth rates were discriminatory and that they would, over the next couple of years, bring all youth rates up to par with adult rates and raised some rates by 60%!

All of this started a movement in which many sectors ended youth rates in their work places and eventually raised the minimum wage to \$12 per hour for all work places. This is proof that together we can fight discrimination and win. And we can do it again and win.

Now for the "women should earn less because the bleed" thing ... well, we will see what's going to happen with this, and if anything becomes of it, we will fight this too. What's next? Maori should earn less because they are brown? Or people with mental illness should earn less? Or maybe women shouldn't vote...

What ever happens... The workers united, will never be defeated!

Working campaign.

Recently we have had the news that the 4000 flat-deck wagons Kiwi Rail needs will be imported from the CNR railway workshops in china. So the RMTU has now put its full weight behind the Keep Kiwis Working campaign.

Then we had the announcement of 70 redundancies nationwide. They are proposing 41 of them from Hillside Workshops in Dunedin; 20 from Hutt Workshops in Woburn, Wellington; and 10 design engineers in the professional services group. At this stage these redundancies are just a proposal; KiwiRail's intention is to get them finalised and announced by the end of July. The RMTU is going to fight for every job and reverse the decision to buy offshore built rolling stock.

Q. How has the campaign been going so far?

The first meeting we held was just over a year ago which attracted about 40 people. The last meeting we held was on Wednesday 22nd of June, 2011, where around 400 people attended, it was really good to see the hall was absolutely packed out. The mood of the

public and of the hillside workers is one of outrage at the shortsighted action of KiwiRail senior management and the National-Act-Maori Party coalition and determination to fight it.

Q. Where is the campaign going from here?

There is a consultation process which is taking part from RMTU officials and KiwiRail officials, this is happening in the background. The campaign is aimed at putting pressure on the government to reverse the job cuts and reverse the outsourcing. These issues are tied. The focus of the campaign is people power. We are organising a massive rally in Dunedin for Saturday the 9th of July.

Q. As socialists we see strike action as one of workers key weapons. Will strike action be organised as part of this campaign?

Our general secretary has said the RMTU will take the strongest action

possible against. I personally favour a total ban on the use of this rolling stock which would force an immediate change in policy. I am travelling up to Tauranga to talk to the RMTU branch over there about the campaign.

If everyone in the RMTU went on strike it would shut down the railway system. We would have to build the wagons here if wagons built overseas were not unloaded at the ports. The government and senior management would surely back off, especially because of the public support out there in the community. The main principle of unionism is unity, as long as everyone takes action the people will win. That's the message we need to get across.

Lessons from Australia

An inevitably controversial look at the history of the struggles on the Builders Labourers Federation and the twenty year campaign to smash Australia's most militant union.

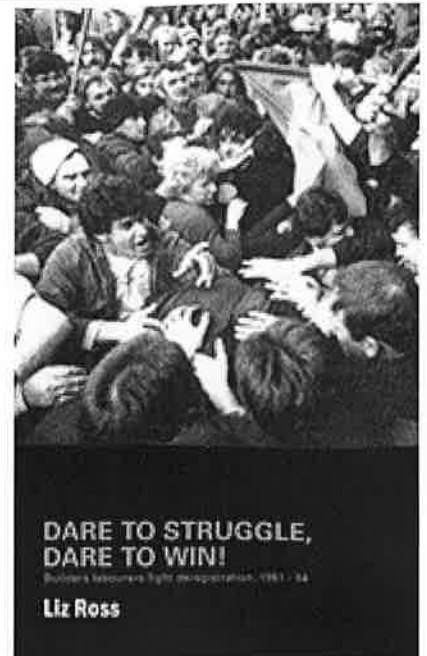
"Dare to Struggle, Dare to Win!" If one phrase can sum up the militant Builders Labourers Federation it was this. Because they believed this, and backed it with action on the job - the courts and governments of the 1980s declared the BLF had to go.

Conservative governments took the first steps, but it was Labor - backed by leading members of the ACTU and union movement - which finished the job. Subject to a Royal Commission, accusations of corruption against union secretary Norm Gallagher, trials, Arbitration Commission hearings and coordinated federal and state legislation the BLF was under siege for years. Then in 1986 the full force of governments and their police fell on the union when it was formally deregistered.

But this is not a story of defeat and despair. It is a story of resistance, much of it told in the words of the most important actors in this drama - rank and file workers. Builders Labourers and their supporters in other unions and the community waged a long struggle for union rights and militancy that has important lessons for today.

While highlighting the rank and file struggle, Liz Ross pulls together all the threads in this complex story and provides a left-wing analysis of the role of the employers, ALP and union leaders, and the historic ALP-ACTU Accord.

Here is the full story for the first time. The book is meticulously researched, with extensive use of archives, original union material and fifty-seven interviews with participants. Liz Ross was also directly involved in many of the events she describes.



Debtocracy: Explaining the iron fist of the IMF

Reviewed by James Gluck

Released in 2011, just as the most recent wave of Greek protests were coming under way, Debtocracy examines how finance capitalism both forces countries to get into debt, then uses that debt to control the world economy. It is a refreshingly simple and lively explanation of the tricks and cons that have allowed the banks to come to control the vast majority of people on the planet. It begins with explaining how the politics of the post-war boom were distorted by the crisis of the late 70s, and the emergence of Neoliberalism. It chronicles the cyclical nature of lending, and then applies it to what is currently happening in Greece, comparing it to the financial gutting that happened to Argentina in 1999. It shows a good understanding of the economics behind the rise of finance capital, and it presents the economics in an easy to understand way, and specifically looks at how attacks on the working class go hand-in-hand with the IMF and finance. It shows how the interests of "the economy" as the right wing see it, are opposed to the interests of the people. It then moves on to looking at solutions, and while it draws heavily on Ecuador, and the use of an 'Odious Debt' argument to get the debt wiped, it does point out that this can only happen with a mass movement behind it.

In conclusion, Debtocracy, available easily over the web, is an excellent watch, and while the politics of the solution are by no means perfect, it is valuable in terms of its simple explanation of the economics.

The 2011 Election: a critical guide

Reviewed by James Gluck

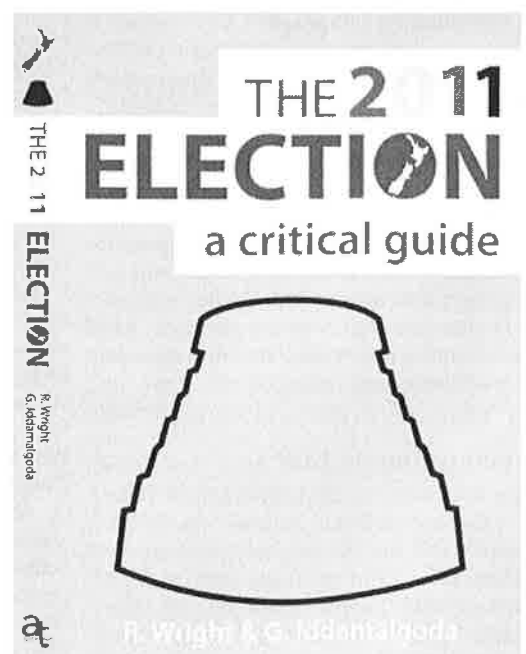
This is a good book for anyone who is curious about the issues.

Wright and Iddamalgoda have used an interview format for their book, which looks at the 2011 election in terms of issues, not of parties. Through interviews with the likes of political philosophy professor (and former Alliance candidate) Jim Flynn, left and liberal academics and socialist and anarchist activists, the book goes through important considerations of this election, from nationalisation to the minimum wage. In its role as an illuminator, the book does well - one gets a great view of what the issues

facing this election are, and understands a little of the history around each of them. What it does not do is support any particular party. The interviewees voted different ways, and the reader, at the end is armed to make her own decision. It is not a propaganda piece, and the socialist view of the writers comes through only in a few places, but if you are looking for a book that will give you the information you need to make a good choice in November, this is the right book.

For more information and to read a chapter of the book online, visit

www.aptitute.co.nz



Exposing Right-Wing Lies

By Mike Treen, National Director, Unite Union

Reviewed by JJ Fersterer-Gawith

As a relative newcomer to both Marxist politics and New Zealand domestic politics, this article proved to be a well researched and insightful in its criticisms of the ludicrous nature of the politics of the Centre/Right/Far-Right political spectrum in Aotearoa/New Zealand.

First off, the article highlights the Marxist idea that increased productivity/decreased production time does not equal increases in real wages, or the amount of worth of the laborer. Graphs dramatically illustrated that productivity had grown by a staggering 83% between 1982 and 2006, but real wages had declined 25%.

Secondarily, Treen debunks the commonly held assumption that rises in the minimum wage would cause inflation and unemployment to rise. He exposes that this has been the decades old propaganda peddled by right-wing economists, including those on the looney right in the form of the Act Party who advocate no minimum wage at all!

This is illustrated by statistics in the mid-1990s when the National Government (characteristically protecting the interests of their big-business mates) froze minimum wage rises and correspondingly unemployment increased to 11.8%. According to the graph, unemployment dropped from around 11% in 1992, at a time of mass layoffs and low minimum wage, to under 4% in 2006 as the minimum wage had risen from around \$6 in 1992, to around the \$12 in 2006.

Treen then proceeds to rubbish the idea that increases in minimum wage, and particularly the abolishment of youth rates, would make it harder for inexperienced and young people to find work. According to the article, youth unemployment dropped from 25% in the early 1990s, to a low of 11.8% in December 2005, and 17.9% when Labour lost the election.

During this time youth minimum wage had increased from a pitiful \$4.20 for 16-19 year olds in 1998 to \$9.50 for 18-19 year olds and \$7.60 for 16-17 year olds in 2005. Also, significantly, hours worked by young people increased over a two year period, despite a rise of wages by



69% percent for 18-19 year olds and 41% for 16-17 year olds, with 10-15% increases in hours worked.

This is in stark contrasts with the right-wing notion that low youth minimum wage would lead to increased employment for youth, as recently proposed by the National Government, in its plans to re-introduce Youth Rates to 16-24 year olds.

Graphs dramatically illustrate that productivity had grown by a staggering 83% between 1982 and 2006, but real wages had declined 25%.

Once again, during a recession, those on the bottom are blamed for the crimes of the wealthy socially parasitic elite, with new policy likely leading to increased youth unemployment, already at a high 25%.

The later parts of the article begins by highlighting National's tactics of bashing the unemployed instead of the big-business profiteers, by making out the unemployed are somehow stealing our taxes.

The Employment Contracts Act, according to the article, amounted to a full scale attack on workers rights, with the cutting of value of benefits and increasing measures to prevent benefit access. Benefit values were cut by 25% for young people, 20% for sickness beneficiaries and 17% for solo parents in 1991. Benefits as a percentage of the

average wage fell from 42% to 30% of the average wage by 1996.

This is complemented by a history of neoliberal reforms, under far-right market fundamentalists like Roger Douglas, which saw the complete deregulation of financial markets, the removal of import tariffs and \$10 billion worth of public enterprises like Telecom and BNZ placed into private hands, along with the removal of progressive income taxes in favor of GST.

Hypocritically, trade unions at the time failed to comply with calls by workers for a general strike, with the top leadership of the Council of Trade Unions (CTU) defeating efforts to strike to stop the reforms. This was in sharp contrast to earlier decades with efforts by the National Government in 1979 to impose wage controls saw a successful strike of 300,000 workers.

The wage gap between Australia and New Zealand is an important feature of the article with the median wage in Australia in USD standing at around \$19.50 while New Zealand sits on USD \$13. At an Australian share of GDP this would be more like USD 14.50.

To conclude, the rest of the article details the effects of neoliberal reforms. It highlights the rightwing myth that lower benefits equal higher employment levels and "incentive" to work, whereas the reality has been a decline in both benefits and real wages.

Thus Treen summarizes the truth about a system completely driven by greed, which seeks to create a deeply unequal society after its own image.

socialist review

